and (b) Export of non-basmati rice during 1988-89 has been allowed within a ceiling. On the basis of registration of contracts with the Agricultural & Processed Food Product Export Development Authority (APEDA), backed by 100 per cent confirmed irrevocable Letter of Credit or against advance payment received in full, exports are allowed. APEDA has permitted shipments of 2,277 MTs of non-basmati rice upto 25th October, 1988 during the current financial year. There is no firm from Calcutta which has been permitted export. Further, none of the shipments permitted is to any European Country.

Decanalisation of Import Items

145. SHRI SUNIL BASU RAY: Will the Minister of COMMERCE be pleased to state:

(a) whether Government propose to further decanalise the import items;

(b) if so, what are the details thereof and the reasons therefor; and

(c) whether it will further privatise the foreign trade and if so, the consequences thereof?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P R. DAS MUNSHI): (a) to (c) The Import Policy is kept under constant review and necessary amendment are made from time to time in public interest.

Slash in leading rate

146. SHRI SUNIL BASU RAY: Will the Minister of FINANCE be pleased to state:

(a) whether Government are considering a slash in the lending rate; if so, what are the reasons therefor;

(b) whether the beneficiaries will include the sick/closed industries and if not, what are the reasons therefor; and

(c) whether the domestic savings, stagnant for the last four years, will get a boost, if the lending rates are slashed?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) Lending as also borrowing rates are reviewed by the Government from time to time, keeping in view various macro-economic trends. There is no proposal under consideration at present for a reduction in lending rate.

(b) and (c) Do not arise.

Abandoning of zero-based budgeting

147. SHRI SUNIL BASU RAY: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the Union Government had adopted a Zero-based budgeting method;

(b) if so, what are its advantages and characteristics and how it is functioning; and

(c) whether there is any proposal to abandon this scheme?

THE MINISTER OF STATE IN THE DEPARTMENT OF EXPENDITURE IN THE MINISTRY OF FINANCE (SHRI B. K. GADHVI): (a) Yes Sir.

(b) Under the Zero base budgeting scheme, as evolved by the Government, each Ministry is required to review its programmes and activities, both plan and non plan, and priorities them with a view to (i) giving up those activities which cease to be relevant or are not vtal to the functioning of the Ministry and (ii) identify low priority areas for reallocation of funds and providing adequate resources for high